

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Issued by the Department of Transportation on January 12, 1999

NOTICE OF ACTION TAKEN -- DOCKET OST 98-4929

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of **CONTINENTAL AIR LINES, INC.,** filed **12/16/98** for:

XX Exemption under 49 U.S.C. 40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between a point or points in the United States and Budapest, Hungary. Continental requires this authority in order to obtain commercial rights under the U.S.-Hungary Air Transport Agreement to sell airline tickets in Hungary and to convert and remit revenues there. Continental does not plan to begin any U.S.-Hungary services at this time. Continental requested that the authority be granted for an indefinite period.

Applicant rep: R. Bruce Keiner, Jr. (202) 624-2500 DOT Analyst: Gerald Caolo (202) 366-2406

DISPOSITION

XX Granted (Subject to conditions, see below)

XX Balance dismissed (i.e. request for longer term authority)

The above action was effective when taken: January 12, 1999, through January 12, 2001.

Action taken by: Paul L. Gretch, Director

Office of International Aviation

XX The authority granted is consistent with the aviation agreement between the United States and Hungary.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity

XX Standard Exemption Conditions (attached)

_____ Remarks: Consistent with our standard practice for this type of application, we granted Continental

exemption authority for a period of two years, and dismissed its request for longer term authority.

(see next page)

On the basis of data officially noticeable under Rule 24(n) of the Department's regulations, we found the applicant qualified to provide the services authorized.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) immediate action was required and was consistent with Department policy; (2) grant of the exemption was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted or dismissed, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within ten (10) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

An electronic version of this document is available on the World Wide Web at: http://dms.dot.gov//reports/reports_aviation.asp.

APPENDIX

U.S. Carrier Standard Exemption Conditions

In the conduct of operations authorized by the attached notice, the applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR (for scheduled operations, if authorized);
 - (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with the applicable requirements of the Federal Aviation Administration Regulations; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.